

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5359-01  
Bill No.: HB 1962  
Subject: Boats and Watercraft; Water Patrol  
Type: Original  
Date: January 13, 2016

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Bill Summary: This proposal requires boat title and registration fees collected annually in excess of one million dollars to be distributed to the Water Patrol Division.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$1,000,000)</b>	<b>(\$1,000,000)</b>	<b>(\$1,000,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Missouri State Water Patrol	\$1,000,000	\$1,000,000	\$1,000,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol** state currently, the first \$2 million collected each year for boat title and registration fees is deposited into General Revenue, and then any revenue in excess of that is deposited into the Water Patrol Fund. This legislation would reduce that threshold to \$1 million.

In recent years, there has always been an excess of \$2 million collected, so at some point during the year the deposits begin going into the Water Patrol Fund instead of into General Revenue. The Patrol assumes that revenues would continue to exceed \$2 million per year, so the first \$1 million would continue to go to General Revenue as always, but the second \$1 million would now go to Water Patrol Fund.

The end result would be a shift of \$1 million per year in revenue from General Revenue to Water Patrol Fund, as General Revenue would see an annual \$1 million loss of revenue and Water Patrol Fund would see an annual \$1 million increase in revenue.

Officials from the **Office of Administration - Budget and Planning** defer to the Department of Revenue.

Officials from the **Department of Revenue** assume the proposal would not fiscally impact their agency.

**Oversight** notes that the original shift in funding from the General Revenue Fund to a new Missouri State Water Patrol Fund (0400) was enacted in SB 778 in 2006. Also in that bill, boat licensing fees were raised from \$10, \$20, \$30 and \$40 to \$25, \$55, \$100, and \$150 respectively, depending upon the length of the vessel.

According to the fund description from the Office of the State Treasurer, Oversight believes this transfer is the only funding source into the State Water Patrol Fund. During the past five years, the Missouri State Water Patrol Fund has had the following receipts into the fund:

FY 2015	\$2,768,015
FY 2014	\$2,962,600
FY 2013	\$2,860,372
FY 2012	\$2,741,235
FY 2011	\$2,996,948

The balance of the fund on December 31, 2015 was \$1,422,352.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<b>GENERAL REVENUE FUND</b>			
<u>Loss</u> - lowering threshold in §306.030 from \$2 million to \$1 million - after which moneys will go to the Missouri State Water Patrol Fund instead of the General Revenue Fund	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>(\$1,000,000)</u></b>	<b><u>(\$1,000,000)</u></b>	<b><u>(\$1,000,000)</u></b>
<b>MISSOURI STATE WATER PATROL FUND</b>			
<u>Income</u> - lowering threshold in §306.030 from \$2 million to \$1 million - after which moneys will go to the Missouri State Water Patrol Fund instead of the General Revenue Fund	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>
<b>ESTIMATED NET EFFECT TO THE MISSOURI STATE WATER PATROL FUND</b>	<b><u>\$1,000,000</u></b>	<b><u>\$1,000,000</u></b>	<b><u>\$1,000,000</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

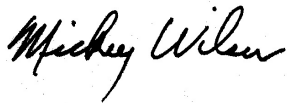
### FISCAL DESCRIPTION

Currently, the first \$2,000,000 collected annually from boat title and registration fees is deposited into the State General Revenue Fund, with the remainder going to the Water Patrol Division of the State Highway Patrol. This bill changes that requirement to having the first \$1,000,000 collected annually from boat title and registration fees be deposited into the State General Revenue Fund. All fees collected in excess of that must be deposited into the Water Patrol Division Fund to be used exclusively for the Water Patrol Division of the State Highway Patrol.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Public Safety - Missouri Highway Patrol  
Office of Administration - Office of Administration - Budget and Planning  
Department of Revenue



Mickey Wilson, CPA  
Director  
January 13, 2016

Ross Strobe  
Assistant Director  
January 13, 2016